

§ 403.39

came into the possession of the person whose act did cause the seizure, and it should also state that the petitioner had no knowledge or reason to believe that the property would be involved or used in violation of the internal revenue laws. If the petitioner knows, at the time he files the petition, that the person in whose possession the seized property was at the time of the seizure had a record or reputation for committing commercial crimes, the petitioner should state in the petition whether the petitioner knew of such record or reputation before the petitioner acquired his interest in the property or before such other person came into possession of the property, whichever occurred later. For purposes of this paragraph, the term "commercial crimes" includes, but is not limited to any of the following federal or state crimes:

(1) Offenses against the revenue laws; burglary; counterfeiting, forgery; kidnapping; larceny; robbery; illegal sale or possession of deadly weapons; prostitution (including soliciting, procuring, pandering, white slaving, keeping house of ill fame, and like offenses); extortion; swindling and confidence games; and attempting to commit, conspiring to commit, or compounding any of the foregoing crimes. Addiction to narcotic drugs and use of marijuana will be treated as commercial crimes.

(2) [Reserved]

(e) *Documents supporting claim.* The petition should be accompanied by copies, certified by the petitioner under oath as correct, of contracts, bills of sale, chattel mortgages, reports of investigators or credit reporting agencies, affidavits, and any other documents that would support the claims made in the petition.

(f) *Costs.* The petition should contain an undertaking to pay any costs assessed as a condition of allowance of the petition. Such costs include but are not limited to all expenses incurred in seizing and storing the property; the costs borne or to be borne by the United States; the taxes, if any, payable by the petitioner or imposed in respect of the property to which the petition relates; the penalty, if any, asserted by the Internal Revenue Service;

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and, if the property has been sold, or is in the course of being sold, the expenses incurred relating to such sale.

§ 403.39 Time of filing petition.

A complete petition for remission or mitigation must be filed before the expiration of three months after the sale or other disposition of the property with respect to which the petition is filed. For purposes of this part, the term "sale or other disposition" includes acquisition of the property for official use.

(Sec. 613, 46 Stat. 756, sec. 306, 49 Stat. 880; (19 U.S.C. 1613, 40 U.S.C. 304(k)))

§ 403.40 Place of filing.

The petition should be filed in triplicate with the District Director for the internal revenue district in which the property was seized.

§ 403.41 Discontinuance of administrative proceedings.

If the petition is filed prior to sale or other disposition of the property, proceedings to effect such sale or other disposition will be discontinued until the petition is either allowed or denied.

§ 403.42 Return of defective petition.

If the petition is defective in some correctable respect, the original of the petition will be returned by letter to the petitioner who will be allowed to submit a corrected petition, in triplicate, within a reasonable time.

§ 403.43 Final action.

(a) *Petitions for remission or mitigation of forfeiture.* (1) The Commissioner or his delegate shall either allow or deny any petition filed pursuant to these regulations. Such allowance or denial will constitute final action. If he allows the petition, the Commissioner or his delegate shall state the conditions, if any, of the allowance.

(2) If he allows the petition, the Commissioner or his delegate may order the property returned to the petitioner, sold for the account of the petitioner, or, pursuant to agreement with the petitioner, acquired for official use.

(3) The Commissioner or his delegate shall notify the petitioner of the allowance or denial of the petition and, in